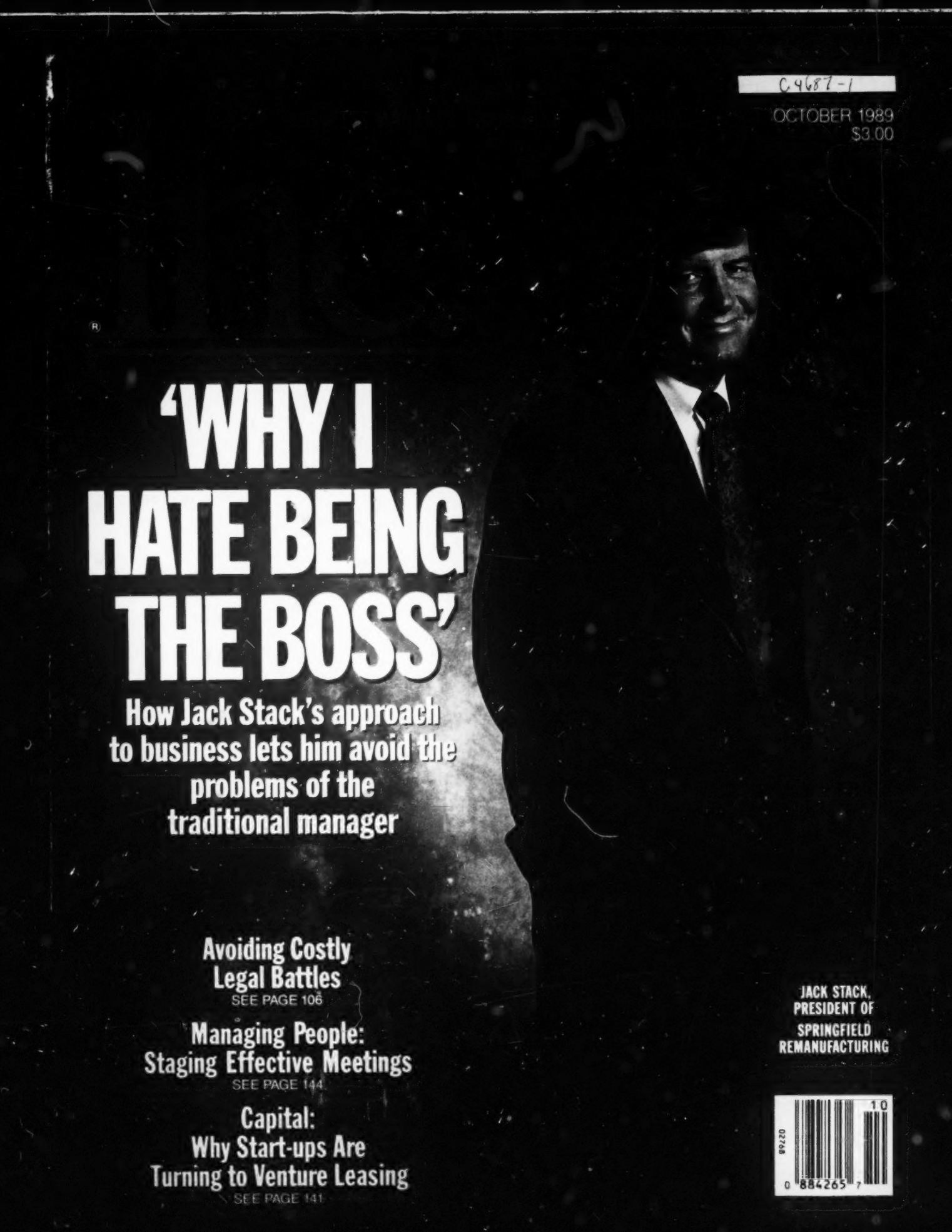
C.4687-1

OCTOBER 1989
$3.00



'WHY I HATE BEING THE BOSS'

How Jack Stack's approach to business lets him avoid the problems of the traditional manager

Avoiding Costly Legal Battles
SEE PAGE 106

Managing People: Staging Effective Meetings
SEE PAGE 144

Capital: Why Start-ups Are Turning to Venture Leasing
SEE PAGE 141

JACK STACK, PRESIDENT OF SPRINGFIELD REMANUFACTURING

10
02768
0 884265 7

CONTENTS

FEATURES

48 FACE-TO-FACE
Being the Boss
How Jack Stack's approach to business lets him avoid the problems of the traditional manager

68 **The Best-Managed Franchises in America** *BY CURTIS HARTMAN*
Results of a nationwide search for the top franchisees

85 **Report on the States 1989**
Winners and losers in this year's ranking of state economic climates

92 **Identity Crisis** *BY TOM RICHMAN*
His company had taken off. But Tom Chappell lost track of who he was and why he was going to work each day

108 **Contempt of Court** *BY STEPHEN D. SOLOMON*
As lawsuits become as common as new consumer products, here's how to avoid litigation, cut legal costs, and get on with your business

118 **Mother of Invention** *BY ROBERT A. MAMIS*
On the way to building her state-of-the-art business incubator, June Lavelle has learned what it takes to keep a company alive and healthy

COLUMNS

33 **The New Economy:** Back to the Future. *BY JOHN CASE*
The revival in the Rustbelt isn't a comeback—it's a transformation

37 **Required Reading:** Values Added. *BY TOM RICHMAN*
The hardest part of growing a company is figuring out what it all means

43 **Policy:** Open the Gates. *BY JOEL KOTKIN*
Immigration just might be the most effective way we have to give the economy a boost

135 **Marketing:** Who Was that Masked Shopper? *BY PAUL B. BROWN*
How to find out how your customers are really treated

141 **Capital:** Gearing Up. *BY ELLYN E. SPRAGINS*
Venture leasing can give new companies a head start on equipment

144 **Managing People:** Death, Taxes, and . . . Meetings. *BY BRUCE G. POSNER*
Just because they're inevitable doesn't mean they have to be boring, painful, and a waste of everyone's time

151 **Finance:** Risky Business. *BY JILL ANDRESKY FRASER*
If you want to save money, don't leave insurance planning to the agents

155 **Managing Technology:** The Next Step. *BY TOM RICHMAN*
Automation is the most common use of technology. But taken further, computers can overhaul the way you do business

DEPARTMENTS

11 **Letters:** Readers respond to Bricklin, G.O.D., and Section 89; Focus on the dark side of doing business in the '80s

21 **Network:** Readers look for advice—and get it

28 **Insider:** Animal rights; exporting services; selling in Spanish; Hotline; New Businesses

130 **Hands On:** Tips on compensation, customer service, sales, and dealing with bankers

176 **Investing in Growth Companies**

INC. COVER STORY

48 Jack Stack
'Why I hate being the boss'

118 June Lavelle
Building a state-of-the-art business incubator

68 Gary Grace
The country's number-one franchisee

COVER PHOTOGRAPH
by Jean Moss

REPORT 1989 ON THE STATES

Winners and losers in this year's ranking of state economic climates

The number is (617) 227-4700. We know from experience that as soon as this issue hits newsstands, that number—ours—will get a lot of use.

Folks from Arizona, which had ranked #1 since 1986, will call to find out why their state fell to #11 this year. And then some wise guy will wonder if North Carolina's decision to host this year's INC. 500 conference is the reason it moved up three positions to #8. (It's not. In fact, this is the first time ever that a host state has gained in the subsequent rankings.)

In case your call doesn't get through, let us answer as best we can what we expect will be the most popular questions. They range, as you'll see, from the easy to the unanswerable:

Q: Why did Texas (whose residents are always quick to question bad news) fall from #20 to #31, the biggest decline on the list?

A: The oil economy hasn't come back yet.

Q: What caused New Mexico—which fell another three places this year to #39—to lose ground four years in a row?

A: A semi-educated guess here, but the state is losing defense contracts as part of the federal belt-tightening.

Q: Massachusetts dropped from #12 to #17, yet New Hampshire, its neighbor, remained at #2. What gives?

A: We don't know.

We do know a couple of things, though. First, never underestimate quality-of-life issues in trying to predict new-job generation. Hawaii, which ranked 40th in 1986, has been steadily climbing; it reached #12 this year. Similarly, California and Florida—two other lifestyle favorites—remain comfortably in the top 10 for the fourth consecutive year.

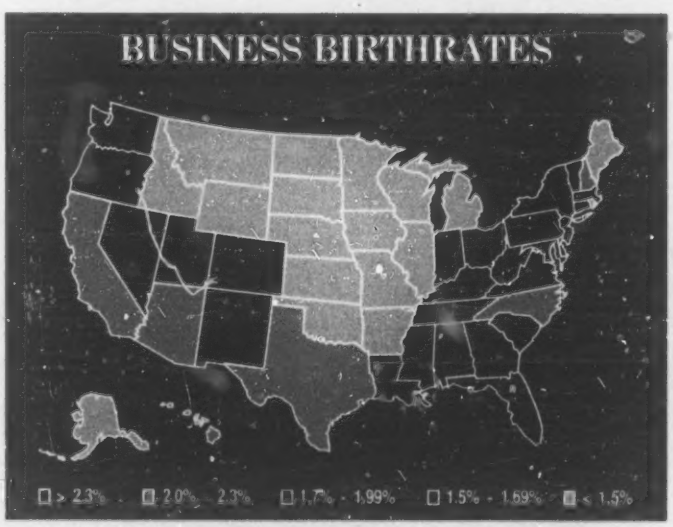
Also, it is interesting to spend some time with the table labeled "Business Birthrates." In the 1988 report, every state reported a smaller number of start-ups than the year before. That's true this year, too, with four exceptions: Hawaii, Nevada, Oregon, and South Carolina reported increases. Not surprisingly, since business birthrates are a significant component in determining a state's ranking (see box on the following page, "What the Rankings Mean"), all four states showed significant gains. In fact, Oregon and Nevada jumped the most, moving up nine positions and seven positions, respectively.

Finally, in looking over the past four years' worth of data, we noticed that states consistently gaining in the rankings outnumbered consistent losers two to one. Only five states—Alaska, Arkansas, Colorado, New Mexico, and Texas—have steadily fallen in the rankings every year since 1986. Eleven states—Hawaii, Illinois, Iowa, Mississippi, Nevada, North Carolina, Oregon, Tennessee, Washington, West Virginia, and Wisconsin—have steadily moved up. We didn't include your state in the list of gainers if it was stuck in the same spot two years in a row. So if you're from the economic-development offices in Delaware, Kentucky, North Dakota, Pennsylvania, or Virginia, please don't call us.

Besides, you'd be likely to get a busy signal anyway.

The rankings start on page 87.

—*Paul B. Brown*

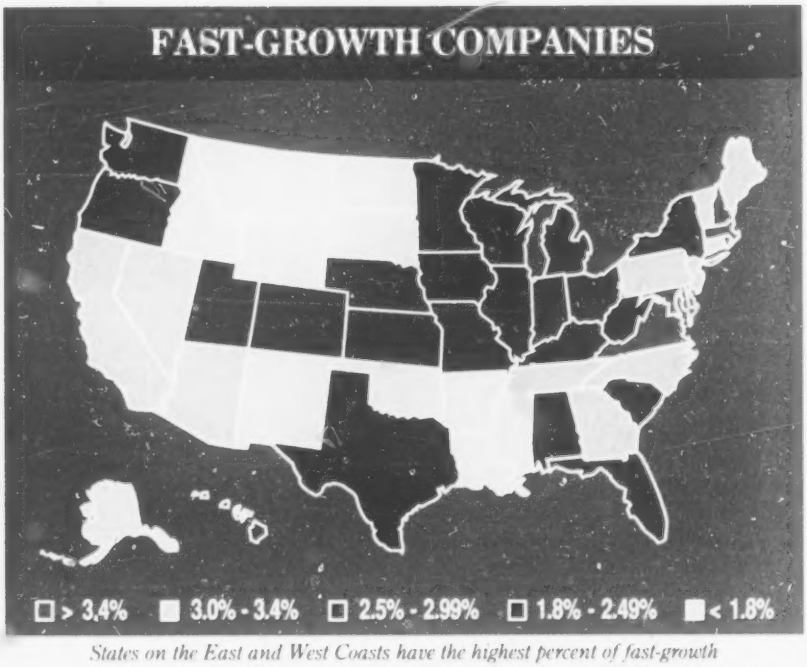


Most of the states creating new businesses are in the Southeast. States in the upper Midwest have been less successful at doing so.

MAPS: DEBORAH HERZOG

1989

FAST-GROWTH COMPANIES



States on the East and West Coasts have the highest percent of fast-growth companies, led by New Hampshire and Delaware. Wyoming has the lowest percent.

GROWTH IN JOBS

The most dynamic job generation is happening in the Southeast and on the West Coast. Nevada leads by a wide margin; Wyoming, again, is at the bottom.

WHAT THE RANKINGS MEAN

This year's rankings measure how a state is doing in stimulating entrepreneurial activity and economic expansion. A state's position on the list reflects its economy's relative success over a four-year period in three areas: job generation, new-business creation, and young-company growth.

JOB GENERATION. The figures in columns 1 and 2, from the federal government's Bureau of Labor Statistics, indicate a state's gain or loss in private-sector and civilian public-sector employment between February 1985 and February 1989.

NEW BUSINESSES. The figures in column 4, compiled for the Report on the States by Cognetics Inc., in Cambridge, Mass., include all companies founded in 1985 or later that had at least 10 employees by January 1989. The business birthrate in column 5 is this number divided by the total number of business establishments in the state.

YOUNG-COMPANY GROWTH. Column 7, also compiled by Cognetics, lists all the companies founded in 1981 or later that registered a growth index of at least 20 between January 1985 and January 1989. What's a growth index? Simply the company's *absolute* growth in employment multiplied by its *percentage* growth in employment (expressed as a decimal). Say you employed 50 people in January 1985 and 75 people in January 1989. Your growth index would be 25 X .50, or 12.5—not enough to make the list. Figuring growth in this way eliminates any bias in favor of large companies (which might have high absolute numbers) or small ones (which might have high percentage numbers).

Column 8 is the number of these young, fast-growing companies divided by all the state's business establishments founded in 1981 or later.

SCORES. A state's scores (columns 3, 6, and 9) are computer-generated rankings that reflect how it stands in relation to all the other states. The top state in any one category gets a score of 33.33, the bottom state a score of one. Every other state is assigned a number reflecting its relative position on an imaginary scale between the top and the bottom.

All scoring is based on a state's ranking in the percentage columns, not in the absolute-numbers columns. Column 10—the bottom line, so to speak—is the sum of the other three score columns. The top possible score is 100.

RATING THE STATES 1989: NEW JOBS, NEW COMPANIES, AND THE CLIMATE FOR GROWTH

Rank/State (1988 rank)	No. New Jobs (in thou.)	Growth in Jobs	Score	No. New Companies	Business Birthrate	Score	No. Fast-Growth Companies	% Fast-Growth Companies	Score	Total Score
	1	2	3	4	5	6	7	8	9	10
1. **Nevada** (8)	122.5	28.49%	33.33	533	2.87%	33.33	101	3.07%	20.36	87.02
2. **New Hampshire** (2)	81.9	18.38	24.96	464	2.19	22.86	133	4.53	33.33	81.15
3. **Virginia** (5)	454.7	19.25	25.68	2,301	2.52	27.94	612	3.73	26.22	79.84
4. **Maryland** (3)	269.4	14.84	22.02	1,993	2.48	27.33	479	3.75	26.40	75.75
5. **Georgia** (6)	439.8	17.66	24.36	2,759	2.54	28.25	654	3.23	21.76	74.39
6. **Florida** (4)	889.3	20.37	26.60	6,148	2.60	29.17	1,492	2.78	17.79	73.56
7. **Delaware** (7)	53.2	18.95	25.43	227	1.85	17.63	65	4.08	29.33	72.39
8. **North Carolina** (11)	402.2	15.50	22.57	2,113	2.14	22.09	522	3.38	23.12	67.78
9. **Tennessee** (10)	253.0	14.06	21.37	1,816	2.33	25.02	442	3.09	20.54	66.93
10. **California** (9)	1,505.2	14.01	21.33	11,911	2.19	22.86	3,086	3.31	22.49	66.69
11. **Arizona** (1)	179.8	14.41	21.66	1,537	2.13	21.94	387	3.23	21.78	65.38
12. **Hawaii** (17)	66.5	15.79	22.81	445	2.23	23.48	93	2.84	18.32	64.61
13. **South Carolina** (16)	206.4	16.36	23.28	1,203	2.36	25.48	221	2.53	15.57	64.33
14. **Vermont** (13)	41.8	19.08	25.53	192	1.63	14.24	47	3.05	20.18	59.96
15. **New Jersey** (14)	298.1	8.99	17.18	3,140	1.91	18.55	789	3.25	21.96	57.69
16. **Maine** (15)	76.6	17.45	24.19	327	1.43	11.16	89	3.24	21.87	57.22
17. **Massachusetts** (12)	248.1	8.68	16.92	1,988	1.63	14.24	551	3.45	23.74	54.90
18. **Connecticut** (18)	142.0	9.28	17.42	1,157	1.60	13.78	341	3.34	22.76	53.96
19. **Washington** (21)	308.4	18.70	25.22	1,494	1.58	13.47	400	2.38	14.23	52.92
20. **Alabama** (19)	158.5	11.35	19.14	1,143	1.90	18.40	233	2.43	14.68	52.21
21. **Indiana** (24)	306.2	14.57	21.80	1,504	1.60	13.78	358	2.64	16.[illegible]	52.12
22. **Utah** (22)	57.0	9.36	17.49	587	1.92	18.70	103	2.45	14.86	51.05
23. **Oregon** (32)	161.8	16.20	23.15	945	1.54	12.85	255	2.45	14.86	50.86
24. **Pennsylvania** (28)	405.3	8.79	17.01	3,372	1.52	12.55	852	3.13	20.90	50.46
25. **Kentucky** (30)	165.2	13.68	21.06	1,106	1.66	14.70	236	2.39	14.32	50.08
26. **Ohio** (25)	433.4	10.22	18.20	3,095	1.61	13.93	810	2.71	17.17	49.30
27. **Michigan** (23)	364.8	10.58	18.50	2,467	1.47	11.78	730	2.84	18.32	48.59
28. **New York** (27)	559.1	7.37	15.84	6,209	1.63	14.24	1,651	2.82	18.14	48.22
29. **Wisconsin** (33)	232.7	12.16	19.80	1,324	1.41	10.85	317	2.40	14.41	45.06
30. **Minnesota** (29)	206.1	11.36	19.14	1,359	1.40	10.70	354	2.48	15.12	44.97
31. **Texas** (20)	119.3	1.81	11.23	7,027	2.15	22.25	1,443	2.06	11.39	44.87
32. **Rhode Island** (26)	33.6	8.07	16.42	292	1.36	10.08	78	2.84	18.32	44.82
33. **Illinois** (34)	398.2	8.49	16.77	3,555	1.47	11.78	867	2.42	14.59	43.13
34. **Mississippi** (38)	80.9	9.88	17.92	660	1.66	14.70	111	1.78	8.90	41.52
35. **Missouri** (35)	199.9	9.88	17.91	1,490	1.42	11.01	344	2.13	12.01	40.93
36. **Kansas** (37)	86.2	9.05	17.23	846	1.41	10.85	177	2.04	11.21	39.30
37. **Colorado** (31)	22.4	1.60	11.06	1,403	1.87	17.93	297	1.92	10.15	39.14
38. **West Virginia** (40)	24.5	4.26	13.26	451	1.64	14.39	69	1.95	10.41	38.07
39. **New Mexico** (36)	36.2	7.13	15.64	402	1.52	12.55	85	1.75	8.64	36.82
40. **Arkansas** (39)	90.3	11.68	19.40	626	1.39	10.55	108	1.50	6.42	36.37
41. **Iowa** (44)	116.9	11.15	18.97	612	0.99	4.39	158	1.98	10.68	34.03
42. **Nebraska** (41)	60.3	9.46	17.57	410	1.08	5.77	107	1.87	9.70	33.04
43. **Idaho** (43)	21.2	6.51	15.12	243	1.16	7.00	47	1.37	5.26	27.39
44. **Louisiana** (42)	-82.0	-5.18	5.44	1,240	1.53	12.70	283	1.77	8.82	26.95
45. **South Dakota** (47)	17.1	7.09	15.60	156	0.90	3.00	31	1.27	4.38	22.98
46. **Oklahoma** (45)	-40.9	-3.50	6.83	1,000	1.33	9.62	209	1.43	5.80	22.25
47. **North Dakota** (49)	8.2	3.35	12.50	147	0.95	3.77	23	1.03	2.24	18.52
48. **Montana** (48)	3.9	1.45	10.93	205	0.90	3.00	46	1.15	3.31	17.24
49. **Alaska** (46)	-11.3	-5.26	5.38	150	1.14	6.70	31	1.07	2.60	14.67
50. **Wyoming** (50)	-20.5	-10.54	1.00	101	0.77	1.00	22	0.89	1.00	3.00

Chart compiled by special projects editor Sara Baer-Sinnott

HANDS ON

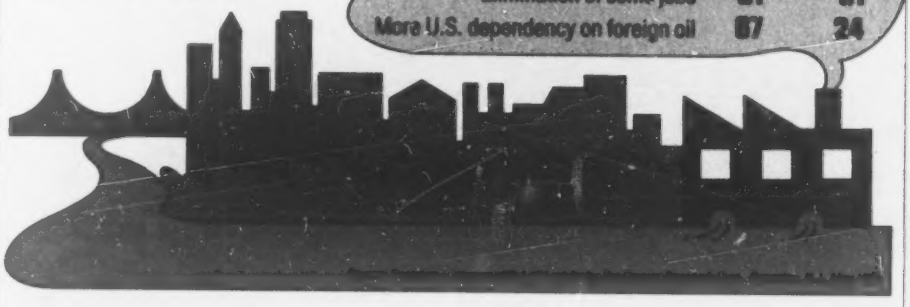
A Manager's Notebook

ENVIRONMENT

Who cares and how much?

Public attitudes about stricter environmental regulations:

IF THE RESULT IS:	THE PUBLIC OPPOSES	SUPPORTS
Higher product costs	36%	58%
Higher taxes	51	42
Difficulty for U.S. companies in competing	53	39
Elimination of some jobs	61	31
More U.S. dependency on foreign oil	67	24



SALES

LONG-TERM COMMITMENT

As much as Dan McNulty, president and CEO of Acoustic Imaging Technologies Corp., in Tempe, Ariz., tried to convince prospects about his diagnostic ultrasound equipment's reliability, they wouldn't listen. So he juiced up the product's one-year warranty to make prospects prick up their ears. If the $130,000 machine, for which more than 55 orders have been placed this year, breaks down and is unusable, they get an automatic one-year warranty extension from the date of the breakdown, free. "It differentiates us from our competitors, where one-year warranties are the standard," says McNulty.

Since the program was introduced in April 1989, McNulty claims the company is ahead of sales projections. And only one customer has been able to take advantage of the extension, which normally sells for $10,000. □

COMPENSATION

MAKING THE GRADE

To motivate student employees, Stuart Carey, owner of a Sonic Drive-In Restaurant franchise in Tucson, developed a simple bonus plan based on their grade point averages. If a student works at Carey's fast-food restaurant for a whole semester and earns a 2.5 to 3.0 GPA, Carey awards a 15¢-per-hour bonus for hours worked that semester. He ups the ante to 25¢ per hour for students earning better than a 3.0 average.

The cost has been marginal: Carey spent $1,200 for the most recent semester, less than 5% of payroll costs for that time period. Each of the 18 employees who were eligible for the GPA bonus got one. "The hardest part is, they are the best students, so they get better opportunities and move on," says Carey.

But he's had no problem attracting replacements. The system so impresses a Tucson high school's counselors that they recommend students apply for jobs at Sonic Drive-In. □

EMPLOYEE SUGGESTIONS

WHAT'S IT WORTH TO YOU?

Employee suggestions can be invaluable, but how do you reward them without fostering unhealthy competition? "Employees who make suggestions are like inventors," says Phillip Mayer, president of Luitink Manufacturing Co., in Menomonee Falls, Wis. "They each think their suggestion is the greatest invention since the wheel. They want to know, 'How come he got more money for his idea than I got for mine?' "

Mayer's solution wasn't to dole out lots of cash, but to change the nature of the reward. "We found out that you don't have to throw money out to get employee involvement," he says.

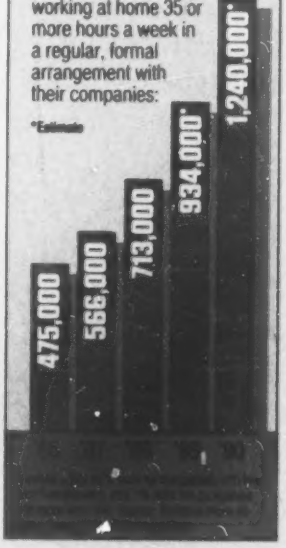
Every month, Mayer meets with the 50 or so employees of his metal-stamping company. He reads all suggestion cards aloud, responds to them, then places them in a box. At meeting's end, he picks a suggestion at random and reads off the name of the employee. That worker steps up and receives a silver dollar for each suggestion made by employees that month. "We turned a competitive thing into a fun thing," says Mayer.

There's another dividend too, he reports: "When they spend those silver dollars, they think about where they got them. So they start thinking of more suggestions." □

HOME WORK

Number of employees working at home 35 or more hours a week in a regular, formal arrangement with their companies:

*Estimate



RESOURCES

GETTING THE NUMBERS

If you're new to business or are having trouble explaining the ABCs of income and balance-sheet statements to your employees, you might want to look at a free primer that Merrill Lynch, Pierce, Fenner & Smith Inc. has been offering since 1973.

The 30-page *How to Read a Financial Report* gives concise, line-by-line explanations of consolidated balance sheets and income statements, accumulated retained-earnings statements, and statements of changes in financial position. The booklet is available from any Merrill Lynch office. □

CHARTS: CYNTHIA DAVIS

HANDS ON

MEETINGS

THE METER'S RUNNING

"The dentist preaches how we must be committed, and then he arrives late to his own meetings," a disgruntled physician's assistant complains. To calm this ubiquitous office gripe, Linda Miles—whose $1.6-million Virginia Beach, Va., company, Linda L. Miles & Associates, gives more than 100 training seminars a year to health-care professionals and their staffs—dreamed up the Tardy Kitty: for every minute late to a meeting, the culprit must pitch $1 into the kitty. At quarter's end, the accumulated fines fund a night out for the staff.

Grateful seminar attendees tell Miles that chronic latecomers are now prompt. "The key to its success is that there are no exceptions, because it's usually the leader who is running late," Miles observes. □

COMMUNICATIONS

KEEP IN TOUCH

Even in small companies it's a struggle to keep employees informed. Bob Cummins, president of Fargo Electronics, a $6-million Eden Prairie, Minn., specialty printer manufacturer, countered his 28 employees' threat of daily meetings with a charged idea: a daily electronic newsletter, which he was sure could be faster *and* more informative.

At day's end, department heads jot messages into the company's electronic-mail system. The next morning the file is printed out and copies of the "newsletter" are put in the break room. Regular topics include daily sales and production figures, profit-sharing updates, and customer feedback. "It's been great for eliminating surprises," says Cummins. "If problems with a product keep coming up in the newsletter, no one's shocked when we discontinue it." □

CUSTOMER SERVICE

TREAT THEM RIGHT

How do you motivate employees to give great customer service? Try taking the lead of Tom Vitacco, CEO of PrintMasters Inc., a franchised chain of more than 100 West Coast print shops. He uses customer correspondence to recognize workers who go the extra mile.

When a customer writes in praising an employee's service, Vitacco or another officer presents an employee with a framed certificate. Though giving out 5 to 10 such prizes a month is inexpensive for the company, the award makes its point. "It passes on a simple message," says Vitacco, "that we care about the employees and what they do. The equipment is the same in most print shops. What makes you different in this business is how you treat your customer." □

INTERNATIONAL
Are you ready for Europe 1992?
1992
Is your company making any special preparations for the European unification in 1992?
ANNUAL SALES
YES NO Don't know
Less than $50 million 45% 55% 0%
$50 million to $500 million 45 40 15
More than $500 million 69 13 18
Will European unification lower your company's cost of doing business in Europe?
ANNUAL SALES
YES NO Don't know
Less than $50 million 20% 5% 75%
$50 million to $500 million 45 10 45
More than $500 million 44 18 38
Will a Euro-American joint venture be your company's major effort?
ANNUAL SALES
YES NO Don't know
Less than $50 million 40% 25% 35%
$50 million to $500 million 25 45 30
More than $500 million 13 56 31
Source: "Preparing for 1992," survey of 300 executives by American Management Association, New York City, July 1989

PUBLIC RELATIONS

WRITE ON THE MONEY

You want high visibility in your industry, but a full-page, four-color ad in a trade magazine can run about $4,000. Ron Harper, chairman of Harper Companies International, a $17-million holding company based in Charlotte, N.C., found a way to save money without sacrificing visibility.

Harper offered a $500 bonus to any employee who could write a technical article and get it published in a trade magazine. To date, at least 10 of his employees have met his challenge, which cost Harper $5,000 for what he guesses to be $40,000 worth of publicity. "Plus," he says, "the articles have a lot more credibility than an ad." To boost production, Harper lined up a local free-lance writer with whom employees can work and split the take. "Those who feel uncomfortable writing have no excuse now," he says. □

BANKING

GOING ONCE, TWICE . . .

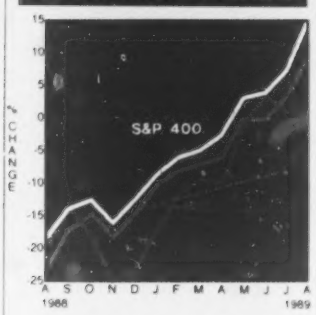
By 1986, after 16 years in business, Susan Bowen, CEO of Champion Awards Inc., a $7-million screen printer in Memphis, was tired of dickering with bankers. Her solution was to treat banking business like any major business purchase: put it out to bid. Bowen sent a package to four banks detailing her business's financial history, outlook, and banking needs. She closed her cover letter with "The best bid wins."

The result? A more generous line of credit, better interest rates on long-term loans, and a surge in her banker's competitive spirit. When her banking package went out for bids in 1988, her current bank kept her business by meeting another banker's lower bid. □

Reported by Leslie Brokaw, Joshua Hyatt, Teri Lammers, and Stephen D. Solomon

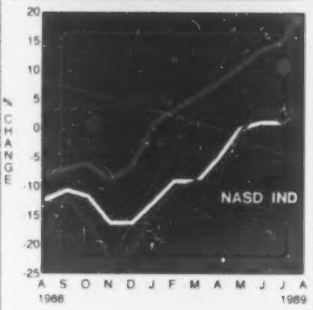
INVESTING IN GROWTH COMPANIES

INC. vs. CONSERVATIVE AVERAGES



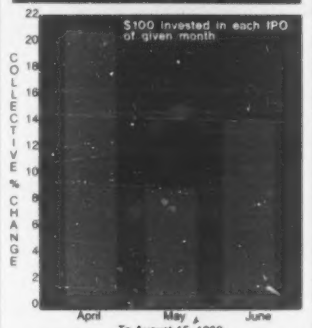
All averages start at 0 in October 1987

INC. vs. SPECULATIVE AVERAGES



All averages start at 0 in October 1987

IPOs IN THE AFTERMARKET



INITIAL PUBLIC OFFERINGS: JULY 1989

O-T-C sym.	Company	Business/product	Offering Size ($mil.)	Offering Price	First aftermarket bid	Underwriter
ALLP	Alliance Pharmaceutical	Mfrs. medical & pharmaceutical prods.	16.50	11.00	11	Oppenheimer
ALLOU	Allou Health & Beauty Care	Distr. health-care prods.	4.00	10.00[d]	10¼	D. H. Blair
APX[b]	Apex Municipal Fund	Closed-end fund	21.60	12.00	12	Merrill Lynch
[a]	AVTR Systems	Mfrs. audiovisual systems	1.00	6.25	7½	Rector Capital
BEII	BEI Electronics	Mfrs. defense electronics	24.30	9.00	9	Alex. Brown
BMT[c]	Biomagnetic Technologies	Mfrs. medical instruments	13.50	9.00	9	Paine Webber
CCAR	CCAir	Regional air carrier	14.40	8.00	8¼	Merrill Lynch
CGNX	Cognex	Mfrs. machine vision systems	12.77	11.00	11½	Alex. Brown
CORXU	Cortex Pharmaceuticals	Researches & develops pharmaceuticals	6.50	6.00[e]	6¼	D. H. Blair
[a]	Deals Are Good	Venture capital firm	0.15	6.00[f]	6	Westminster
EGLE	Eagle Food Centers	Operates supermarket chain	60.00	20.00	20¼	Goldman Sachs
GIDL	Giddings & Lewis	Mfrs. machine tools	119.00	14.00	14	First Boston
GZEA	GZA Geo-Environmental Technologies	Provides environmental-consulting svcs.	12.12	12.00	13½	Bear Stearns
HTR[b]	Hyperion Total Return Fund	Closed-end fund	264.00	12.00	12	Prudential-Bache
LECH	Lechters	Retails housewares	46.43	20.50	22	Goldman Sachs
MDCO	Marine Drilling	Oil & gas contract driller	29.75	8.50	8½	Dillon Read
DINE	Mascott	Operates restaurants	7.50	2.50	2½	F. N. Wolf
MCR[b]	MFS Charter Income Trust	Closed-end fund	900.00	12.00	12	Kidder Peabody
NNCXF	Newbridge Networks	Mfrs. digital networks	26.25	10.50	11½	Smith Barney
SCO[b]	Smith Corona	Mfrs. typewriters	252.00	21.00	21	Shearson
[a]	Telident	Provides telecommunications equipment	0.80	5.00	4⅞	R. J. Steichen
TOCRZ	Tocor/Centocor	Provides medical-research svcs.	30.00	12.00	12	Hambrecht
WCTV	Westcott Communications	Produces educational television programs	15.00	10.00	10½	Robertson

Initial public offerings sold at $1 or less not included. First aftermarket bid is approximate. [a] no symbol, [b] trading on NYSE, [c] trading on AMEX, [d] units of 3 common + 3 warrants, [e] units of 3 common + 2 warrants, [f] units of 3 common + 30 A warrants + 30 B warrants. Offering data source: *Going Public: The IPO Reporter*, a publication of The Dealer's Digest Inc., 150 Broadway, New York NY 10038

CHARTS: IMAGEBUILDER DESIGN

COPYRIGHT © 1989 BY GOLDHIRSH GROUP, INC. All rights reserved. Editorial and executive offices at 38 Commercial Wharf, Boston, MA 02110. INC. (ISSN 0162-8968) is published monthly by Inc. Publishing Company, 38 Commercial Wharf, Boston, MA 02110. Subscription rate for U.S. and Possessions, 12 issues $25. All subscription correspondence should be addressed to INC. magazine, P.O. Box 54129, Boulder, CO 80322-4129. Please allow at least six weeks for change of address. Include your old address as well as new, and enclose if possible an address label from a recent issue. Second class postage paid at Boston, MA, and additional mailing offices. Postage paid at Mississauga, Ontario. POSTMASTER: Send address changes to INC. magazine, P.O. Box 54129, Boulder, CO 80322-4129. Material in this publication must not be stored or reproduced in any form without permission. Requests for permission should be directed to Permissions Coordinator, INC., 38 Commercial Wharf, Boston, MA 02110. Inc. is a registered trademark of Goldhirsh Group, Inc.

OCTOBER 1989 VOL. 11 NO. 10